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November 18, 2003

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HAND DELIVERED

Thomas M. Dorman
Executive Director
Public Service Commission of Kentucky
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602-0615

RECEIVED
NOV 18 2003
PUBLIC SERVICE
COMMISSION

RE: *P.S.C. Case No. 2003-00228*

Dear Mr. Dorman:

Please find enclosed and accept for filing the responses of Kentucky Power Company d/b/a American Electric Power to the Data Requests propounded by Big Sandy RECC. Copies of the responses along with this letter are being served this day on all counsel of record in the fashion indicated below.

Sincerely yours,

STITES & HARBISON PLLC

Mark R. Overstreet

cc: Robert C. Moore (Hand Delivery)
Rebecca S. Gohmann (United States Mail)
Albert A. Burchett (Facsimile Transmission and United States Mail)
J. Scott Preston (United States Mail)
Richard G. Raff (Hand Delivery)

KE057:KE169:10158:1:FRANKFORT

**Kentucky Power
d/b/a
American Electric Power**

REQUEST

With reference to the "Testimony of Delinda Borden", please produce a copy of all written documents, which relate to the testimony regarding temporary service to Matrix Mine opening.

RESPONSE

As stated in Delinda Borden's testimony, Page 4 beginning with the question on line 11, the only letter that exists is a letter issued by Big Sandy RECC on September 26, 2001. No written documentation of conversations with Beech Fork exists on this subject.

WITNESS: Delinda K Borden

Kentucky Power
d/b/a
American Electric Power

REQUEST

With reference to the "Testimony of Delinda Borden", please produce a copy of all written documents, which relate to the discussion on October 11, 2002 with Mr. Horn regarding a new service for Matrix Energy.

RESPONSE

Attached are copies of two e-mails that relate to the discussion on October 11, 2002 with Mr. Horn regarding a new service for Matrix Energy.

WITNESS: Delinda K Borden



Delinda K Borden

10/11/2002 09:15 AM

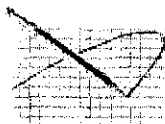
To: Mohammed Ahmed/OR2/AEPIN@AEPIN
cc: Alan D Bragg/AEPIN@AEPIN, Errol K Wagner/AS1/AEPIN@AEPIN
Subject: Beech Fork Processing

Beech Fork Processing is currently getting ready to open a new 4 section deep mine.


Originally Beech Fork applied for a new service with Big Sandy RECC, as I advised them RECC served Johnson County. The co-op works with East KY Power, their generation and engineering arm, on large projects. As the co-op does not have facilities to serve Beech Fk, they (East KY Power) has applied for an interconnect with you.

Beech Fork has came back to me and requested a copy of our rates appropriate for a 4 MW load. It appears that the area they will be deep mining is in 3 counties, Floyd, Johnson & Martin. To the best of my knowledge the reserves in Martin and Floyd are in AEP's service territory. The initial Slope is proposed to go into Johnson County RECC's territory.

The customer has indicated they are going to petition the PSC for a clarification on who they need to take service from. The customer's contention is RECC does not have facilities to serve them, that they will have to take an interconnection with AEP in order to provide service. And as the majority of the coal reserves are in AEP's territory, they would prefer to take service direct from AEP. They further are concerned that RECC is forcing them to take a 12 kv delivery, and the station will wind up being built in AEP's territory. The location of the Station, is a point in which the customer is considering putting a bore hole down for electricity.



Mohammed Ahmed
10/15/2002 07:15 AM

To: Bernie M Pasternack/OR4/AEPIN@AEPIN, Max
Chau/OR4/AEPIN@AEPIN, Dennis W Bethel/OR4/AEPIN@AEPIN,
Kevin F Duffy/OR2/AEPIN@AEPIN
cc: Alan D Bragg/AEPIN@AEPIN, Errol K Wagner/AS1/AEPIN@AEPIN,
Delinda K Borden/AS1/AEPIN@AEPIN
Subject: Re: Beech Fork Processing 

The following correspondence (from Del Borden) is associated with the System Impact and Facilities Studies that were earlier requested by EKPC in order to develop a 69 kV delivery point to serve its customer from AEP's Dewey-linez 69 kV line. If you can recall, the issue addressed in Del's note is similar to the one in 1996 that involved service to a mining facility in Leslie County, KY. At that time, we had several discussions including a meeting with the representatives of Jackson RECC, EKPC, and AEP. Errol Wagner can provide additional information on that issue.

To-date, EKPC has not committed to proceed with the subject plan. On a couple of occasions, EKPC (over the phone) has asked as to why we need the MOAB switches and the 69 kV metering at the delivery point, and if the cost of new facilities can somehow be reduced. Also, I heard through Del and EKPC that the customer and EKPC have also been discussing the possibility of establishing the 69/step-down station at/near the delivery point and constructing the line to the customer station. Previously, I have also advised Del to let the customer deal directly with EKPC to resolve their issues.

Del:
Thanks for the note and the information in advance.

Mohammed Ahmed
East Area Transmission Planning
Transmission Asset Management
825 Tech Center Drive
Gahanna Ohio 43230
Phone: (614) 552-1669 Cell: (614) 204-7761 Fax: (614) 552-1676
Email: mahmed@aep.com
Delinda K Borden

**Kentucky Power
d/b/a
American Electric Power**

REQUEST

With reference to the "Testimony of Delinda Borden", please produce a copy of all written documents, which relate to rate calculations provided to Matrix.

RESPONSE

Attached are copies of the written documents that relate to the rate calculations of AEP's QP tariff for 69 kV and 138 kV delivery which was provided to Matrix Energy.

WITNESS: Delinda K Borden

Customer: Beech fork Processing
Account :

Date:
Billing Mo.

04/15/2003
April 2003

Tariff: 359 Subtransmission Rev 3/21/001
contract capacity 3000 kw
High Prev. Billing Demand 3000 KW

Readings (Extension):
on-pk K 1203120 KWH
off-pk R KVARH
D 3000 KW
D 3000 KW
V 0 KVAR

Environmental Adjustment Factor 0.022445
Fuel Adjustment Factor: 0.0004061
Net Merger Credit (\$0.000459) 3000
School Tax 0 1800
State sales Tax 0 1500

Days: 30 Pro-Rate Factor 1.000

Comments: 69 kv delivery - 2 section slope mine - assuming load factor of .557

Billing Demand 3000
Billing KVAR 0

Service Charge:					\$662.00
Demand Charge:	(	\$8.51	X	3000	) \$25,530.00
Dem. Ch. Off-pk:	(	\$0.86	X	0	) \$0.00
Energy Charge:	(	\$0.01171	X	1203120	) \$14,088.54
Reactive Charge	(	\$0.57	X	0	) \$0.00
				Subtotal	\$40,280.54
				Pro-Rated Subtotal	\$40,280.54
Environmental Adjustment					\$902.67
Fuel Cost Adjustment					\$488.59
Net Merger Credit					(\$552.23)
Net Bill Amount					\$41,119.57
School Tax		0			\$0.00
State Sales Tax		0			\$0.00
Total Amount Due					<u>\$41,119.57</u>

Prepared By: Delinda K. Borden

Customer: Beech Fork Processing
 Account :

Date:
 Billing Mo.

04/15/2003
 April 2003

Tariff: 360 Transmission
 contract capacity 3000 kw
 High Prev. Billing Demand 3000 KW
 Readings (Extension): K 1203120 KWH
 R KVARH
 on-pk D 3000 KW
 off-pk D 3000 KW
 V 0 KVAR

Environmental Adjustment Factor 2.24450%
 Fuel Adjustment Factor: 0.0004061
 Net Merger Credit -0.000459
 School Tax 0 1800
 State sales Tax 0 1500

Days: 30 Pro-Rate Factor 1.000

Comments: 138 kv delivery - assuming .557 load factor - 2 section slope mine

Billing Demand 3000
 Billing KVAR 0

Service Charge:					\$1,353.00
Demand Charge:	(	\$7.88	X	3000	) \$23,640.00
Dem. Ch. Off-pk:	(	\$0.85	X	0	) \$0.00
Energy Charge:	(	\$0.01155	X	1203120	) \$13,896.04
Reactive Charge	(	\$0.57	X	0	) \$0.00
				Subtotal	\$38,889.04
				Pro-Rated Subtotal	\$38,889.04
Environmental Adjustment					\$871.44
Fuel Cost Adjustment					\$488.59
Net Merger Credit					(\$552.23)
Net Bill Amount					\$39,696.84
School Tax		0			\$0.00
State Sales Tax		0			\$0.00
Total Amount Due					<u>\$39,696.84</u>

Prepared By: Delinda K. Borden